

**City of Culver City, California
Agenda Item Report**

Meeting Date: 06/09/2014		Item Number: <u>PH-1</u>	
SUCCESSOR AGENCY AGENDA ITEM: PUBLIC HEARING - Adoption of a Resolution Approving, and Recommending that the Oversight Board Approve, (1) the Sale and Transfer of Real Property Located at 12803, 12811, 12813 and 12823 Washington Boulevard, Culver City, from the Successor Agency to Axis-Mundi RE II, LLC for Use to Fulfill Contractual Enforceable Obligations in Accordance with the Terms of the DDA Between the Former Culver City Redevelopment Agency and the Developer, Pursuant to the State Department of Finance Approved Long Range Property Management Plan; and (2) the Successor Agency's Use of the Net Purchase Price Proceeds Received by the Successor Agency after Close of Escrow in Accordance with the Dissolution Act and Other Applicable Law; and (3) Related Actions.			
Contact Person/Dept.: Glenn Heald Todd Tipton / CDD		Phone Number: 310-253-5752 310-253-5783	
Fiscal Impact: Yes ☐ No ☒			
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Public Notification: (E-Mail) Meetings and Agendas – Successor Agency (06/04/14); Public Notice Posted (05/27/14) and Published (05/29/14) in the Culver City News.			
Departmental Approval: Sol Blumenfeld (06/04/14)		Successor Agency General Counsel Approval: Carol Schwab (by H. Baker) (06/04/14) Successor Agency Special Counsel Approval: Murray Kane: (06/04/14)	
Chief Financial Officer Approval: Jeff Muir (06/04/14)		Executive Director Approval: John M. Nachbar (06/04/14)	
<u>RECOMMENDATION:</u> Staff recommends the Board of the Successor Agency to the Culver City Redevelopment Agency (Successor Agency Board) adopt a proposed resolution approving, and recommending to the Oversight Board to the Culver City Successor Agency (Oversight Board) the approval of: (1) the sale and transfer of real property located at 12803, 12811, 12813 and 12823 Washington Boulevard, Culver City (the Property), from the Successor Agency to the Culver City Redevelopment Agency (Successor Agency) to Axis-Mundi RE II, LLC (Developer) for use to fulfill contractual enforceable obligations in accordance with the terms of the Disposition and Development Agreement (DDA) between the former Culver City Redevelopment Agency (Former CCRA) and the Developer dated February 7, 2008, pursuant to the authority of the Long Range Property Management Plan (LRPMP) approved by the California Department of Finance (DOF) on March 18, 2014; and (2) the Successor Agency's use of the net purchase price proceeds received by the Successor Agency after close of escrow in accordance with the Dissolution Act and other applicable law; and (3) related actions.			

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PROCEDURE (Noticed Public Hearing):

1. The Chair seeks a motion from the Successor Agency Board to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices; and,
2. The Chair calls for a staff report and the Board Members may pose questions to staff as desired; and,
3. The Chair seeks a motion to open the public hearing; and,
4. The Chair seeks motion to close the public hearing after all public testimony has been presented; and,
5. The Successor Agency Board discusses the item and arrives at its decision.

BACKGROUND:

On June 28, 2011, the Governor of California signed into law Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) (referred to herein as the Dissolution Act), making certain changes to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the Redevelopment Law) and to the California Health and Safety Code (H&S Code) including adding Part 1.8 (commencing with Section 34161) (Part 1.8) and Part 1.85 (commencing with Section 34170) (Part 1.85) to Division 24 of the H&S Code. The Property, owned by the Former CCRA and now the Successor Agency pursuant to the Dissolution Act, is proposed to be sold by the Successor Agency to the Developer for use to fulfill contractual enforceable obligations in accordance with the terms of the DDA, pursuant to the authority of the LRPMP approved by the DOF on March 18, 2014, and in accordance with H&S Code Section 34181.

DISCUSSION:

The Property consists of four contiguous parcels, APNs 4236-021-900, 4236-021-901, 4236-021-902, and 4236-021-903, that combined form a 24,082 square foot (0.55 acres) site spanning the north side of Washington Boulevard bounded by Meier Street to the east and Moore Street to the west. The Property is included in the Successor Agency's LRPMP submitted to the DOF in July 2013, revised and resubmitted to the DOF in March 2014, and approved by the DOF on March 18, 2014, as "Property to be Used to Fulfill Enforceable Obligations," reflecting the Property's intended sale from the Successor Agency to the Developer for the development of a project (Project) on and at the Property in accordance with the terms of the DDA.

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If the Successor Agency Board adopts the proposed resolution (Attachment No. 1), a separate resolution approving and directing the sale and transfer of the Property from the Successor Agency to the Developer for use to fulfill contractual enforceable obligations in accordance with the terms of the DDA pursuant to the authority of the LRPMP approved by the DOF on March 18, 2014, will be submitted to the Oversight Board for consideration at their next regular meeting to be held on June 12, 2014. If the Oversight Board adopts the proposed resolution, the Oversight Board resolution will be submitted to the DOF for review and approval.

FISCAL ANALYSIS:

The sale of the Property will generate land sale purchase price proceeds of approximately \$3.2 million, equal to or exceeding the appraised fair market value of the Property. The net purchase price proceeds received by the Successor Agency after close of escrow will be used by the Successor Agency in accordance with the Dissolution Act and other applicable law. The Successor Agency may seek reimbursement of the incidental costs associated with the proposed sale of the Property through the escrow process or future Recognized Obligations Payment Schedule (ROPS) submissions to the DOF.

ENVIRONMENTAL REVIEW:

As part of the proposed resolution, the Successor Agency is requested to determine that a Final Supplemental Environmental Impact Report ("FSEIR") was certified by the City on November 16, 1998, which identified and analyzed the potential environmental impacts associated with the Project. This activity has been determined to be adequately addressed in the FSEIR for the Project, and there is no substantial change in circumstances, new information of substantial importance, or project changes which would warrant additional environmental review; therefore, no further environmental review is required under the CEQA pursuant to State CEQA Guidelines Sections 15162 and 21166.

ATTACHMENTS:

1. Proposed Resolution.

MOTIONS:

That the Successor Agency Board:

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Adopt a resolution approving, and recommending to its Oversight Board the approval of, (1) the sale and transfer of real property located at 12803, 12811, 12813 and 12823 Washington Boulevard, Culver City, California (Assessor Parcel Nos. 4236-021-900, 4236-021-901, 4236-021-902, and 4236-021-903) from the Successor Agency to Axis-Mundi RE II, LLC for use to fulfill contractual enforceable obligations in accordance with the terms of the Disposition and Development Agreement between the former Culver City Redevelopment Agency and the Developer dated February 7, 2008, pursuant to the authority of the Long Range Property Management Plan approved by the California Department of Finance on March 18, 2014; and (2) the Successor Agency's use of the net purchase price proceeds received by the Successor Agency after close of escrow in accordance with the Dissolution Act and other applicable law; and (3) related actions.